

HAWAI'I STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM

12 - 14A Application Number: Date of Receipt: To be assigned by Agency

APPLICANT PROFILE

Project Title: Bed changes: +14 Acute/long term swing bed, -14 SNF/ICF beds.

Project Address: 128 Lehua Street, Wahiawa, Hawaii 96786

Applicant Facility/Organization:Wahiawa General Hospital

Name of CEO or equivalent: Don Olden

Title: CEO

Address: 128 Lehua Street, Wahiawa, Hawaii 96786

Phone Number: 808-621-4210 Fax Number: 808-621-4451

Contact Person for this Application: Susan Rich

Title: Assistant Administrator

Address: 128 Lehua Street, Wahiawa, Hawaii 96786

Phone Number: 808-621-4308 Fax Number: 808-621-4418

CERTIFICATION BY APPLICANT

I hereby attest that I reviewed the application and have knowledge of the content and the information contained herein. I declare that the project described and each statement amount and supporting documentation included is true and correct to the best of my knowledge and belief.

Name (please type or print)

Title (please type or print)

1.	TYPE OF ORGANIZATION: (Please check all applicable)				
	Public Private				
2.	PROJECT LOCATION INFORMATION				
	A. Primary Service Area(s) of Project: (please check all applicable)				
	Statewide: O`ahu-wide: Honolulu: Windward O`ahu: West O`ahu: Maui County: Kaua`i County: Hawai`i County:				
3.	DOCUMENTATION (Please attach the following to your application form):				
	 A. Site Control documentation (e.g. lease/purchase agreement, DROA agreement, letter of intent) NA B. A listing of all other permits or approvals from other government bodies (federal, state, county) that will be required before this proposal can be implemented (such as building permit, land use permit, etc.) An updated License for Skilled Nursing and Intermediate care facility (Wahiawa General Hospital) from the State of Hawaii department of Heath will be needed to reflect the decreased number of beds 				

- C. Your governing body: list by names, titles and address/phone numbers
- D. If you have filed a Certificate of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:
 - Articles of Incorporation
 - By-Laws
 - Partnership Agreements
 - Tax Key Number (project's location) Federal ID# 99-0269825, location is Wahiawa General Hospital. 128 Lehua St, Wahiawa HI 96786
- **TYPE OF PROJECT.** This section helps our reviewers understand what type of project you are proposing. Please place an "x" in the appropriate box.

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in Service	Change in Beds
Inpatient Facility					Х
Outpatient Facility		W			
Private Practice		(P)			

5. **BED CHANGES.** Please complete this chart only if your project deals with a change in your bed count and/or licensed types. Again, this chart is intended to help our reviewers understand at a glance what your project would like to accomplish. Under the heading "Type of Bed," please use only the categories listed in the certificate of need rules.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
Medical/surgical	37	0	37
Acute/long term swing	0	+14	14
CCU	6	0	6
SNF/ICF	107	-14	93
Acute-Psychiatric	10	0	10
Obstetric	0	0	0
TOTAL	160		160

6. PROJECT COSTS AND SOURCES OF FUNDS

A.	List A	All Project Costs:	AMOUNT:
	1.	Land Acquisition	
	2.	Construction Contract	
	3.	Fixed Equipment	
	4.	Movable Equipment	
	5.	Financing Costs	
	6.	Fair Market Value of assets acquired by lease, rent, donation, etc.	-
	7.	Other:	
		TOTAL PROJECT COST:	0
В.	Source	TOTAL PROJECT COST:	0
В.	Source 1.		0
В.		ce of Funds	0
В.	1.	ce of Funds Cash	0
В.	1. 2.	Cash State Appropriations	0
В.	 2. 3. 	Ce of Funds Cash State Appropriations Other Grants	0

TOTAL SOURCE OF FUNDS: 0

CHANGE OF SERVICE: If you are proposing a change in service, then please briefly list what services will be added/modified. Be sure to include the establishment of a new service or the addition of a new location of an existing service. Please reference the Certificate of Need Rules Section 11-186-5 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

Addition of 14 Acute/long term swing beds and deletion of 14 SNF/ICF beds.

- 7. **IMPLEMENTATION SCHEDULE:** Please present a projected time schedule for the completion of this project from start to finish. Include all of the following items that are applicable to your project:
 - a) Date of site control for the proposed project, N/A
 - b) Dates by which other government approvals/permits will be applied for and received, Applied for long term care bed license change to DOH in April 2012 and expected to receive approval by June 30, 2012
 - c) Dates by which financing is assured for the project, NA
 - d) Date construction will commence, NA
 - e) Length of construction period, NA
 - f) Date of completion of the project, NA
 - g) Date of commencement of operation upon licensing

Please remember that the Agency does monitor the implementation of Certificates approved. Non-implementation of a project as described in your application may result in a fine and/or withdrawal of the certificate of need.

8. **EXECUTIVE SUMMARY:** Please present a brief summary of your project. In addition, provide a description of how your project meets each of the certificate of need criteria listed below. If a new location is proposed, please attach an easy to read map that shows your project site.

On December 16, 2011 HMC announced closure of their medical centers. Wahiawa General Hospital immediately felt the impact of the closure by an increase in Emergency Department visits. Daily ambulance visits also increased, all resulting in increased inpatient admissions to the ICU and Medical/Surgical units. Wahiawa General Hospital needs to convert 14 SNF/ICF beds located on the third floor of the hospital to Acute/long term swing beds to increase the flexibility to meet the needs of our patients. The 14 beds were OB beds fully configured to meet Medical/Surgical criteria until converted to SNF beds in 2009.

The conversion of the -14 SNF/ICF beds to +14 Acute/long term swing beds will better serve the needs of our patient population at this time. This change will help reduce overcrowding in the Emergency Department, reduce the amount of time the Emergency

Department will need to go on re-route and increase patient satisfaction and patient safety by being admitted to an appropriate bed sooner.

a) Relationship to the State of Hawai`i Health Services and Facilities Plan.

The reconfigured services are designed to add value to the Health Services and Facilities Plan (HSFP) by promoting and supporting the long-term viability of the health care delivery system in the state of Hawaii, specifically in Central and West Oahu areas. Specific health areas of concern that will be addressed are; to ensure capacity and access to emergency and acute care services and to ensure capacity and access to primary care services.

The proposed project addresses the WEST OAHU SAC PRIORITIES by improving and increasing access to emergency services, critical care, and general acute care.

b) Need and Accessibility

The proposed project to increase Acute/long term swing beds will help to meet the needs of the community and improve the accessibility of beds. Acute care and long term care services will be available to all patients regardless of age, sex, race, income, or disabilities. Additional acute beds translate to the ability of more patients to remain in their community thus allowing family to visit more frequently and reducing transportation difficulties.

The addition of 14 Acute/long term swing beds will also better accommodate the needs of the community by decreasing the need to transfer to alternate facilities and reduce "boarding" in the emergency department.

c) Quality of Service/Care

Wahiawa General Hospital is Joint Commission accredited and strives to maintain and improve the quality of care and quality of services provided to its patient population. All staff will be assured of competency and will receive ongoing education. The hospital will comply with all Federal and State licensing requirements for physicians and staff.

d) Cost and Finances (include revenue/cost projections for the first and third year of operation)

CAPITAL COSTS

There will not be any capital cost involved. All rooms, beds, and related electromechanical support services already exist and no renovation or related capital costs will be needed.

REVENUE AND OPERATING COSTS

Projected revenues and expenses for the Medical surgical, ICU and Long Term Care units are:

	Fiscal Year 2012				
	Med/Surg	ICU	SNF	SNFIII	Total
Gross Patient Care Revenue	12,378,622	5,180,352	9,425,640	255,090	27,239,704
Expenses:					
Salaries & Wages	4,209,977	1,198,424	3,672,004	70,688	9,151,093
Other Expenses	704,749	203,471	301,659	32,635	1,242,514
Total Expenses	4,914,726	1,401,896	3,973,663	103,323	10,393,607

Projected revenues and expenses for the Medical surgical, ICU and Long Term Care units are:

	Fiscal Year 2014				
	Med/Surg	ICU	SNF	SNFIII	Total
Gross Patient Care Revenue	16,942,680	5,494,008	9,999,661		32,436,347
Expenses:					
Salaries & Wages	5,435,960	1,203,934	3,895,629		10,535,522
Other Expenses	1,010,069	50,320	320,030		1,380,419
Total Expenses	6,446,029	1,254,253	4,215,659		11,915,941

Revenue improvements should occur due to an increase in acute admissions. The expected improvements will occur by having 14 additional acute/long term swing beds on the third floor which will relieve the overcrowding in the Emergency Department. The census in the SNF has had an average of 90 patients per month over the last 12 months so the ability to utilize swing beds in SNF/ICF beds is not expected to have a significant negative impact.

In summary: The change in bed allocation as requested in this CON is being done to ensure the availability of emergency services in Central and West Oahu and accommodate the influx of acute patients due to HMC closure, improve throughput from the emergency department to the acute care setting and to long term beds as needed. It should also improve efficiency, reduce operating cost, allocation of appropriately trained staff and provide a more optimal setting for patients on the third floor of the hospital.

e) Relationship to the existing health care system

This proposed project will allow Wahiawa General Hospital to provide additional acute care services to the influx of patients due to the closing of HMC. The impact on the existing health care system should be significant by increasing throughput from the Emergency Department to the acute care unit. This proposal will allow Wahiawa General Hospital to provide better care by reducing overcrowding in the Emergency Department and the ability to accommodate more acute patients. The result of these changes will also affect the amount of time the emergency department goes on re-route due to available inpatient accommodations.

f) Availability of Resources.

The proposed project will require additional FTE's depending upon patient census. If all 14 acute acute/long term swing beds were occupied; 3 additional RN's, 2 additional CNA's and 1 ward clerk would be needed per 8 hour shift. Staffing would be less if the beds were long term care. Some of the staff are within the organization and have or will provide this service without additional cost to the organization. It is expected that any new FTE's will be hired locally and trained within the system as needed. With the closure of HMC, many skilled people are actively seeking employment.

9.	Eligibility to file for Administrative Review. This project is eligible to file for Administrative review because: (Check all applicable)				
		It involves bed changes, which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.			
	-	It involves service changes which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.			
		It is an acquisition of a health care facility or service, which will result in lower annual operating expenses for that facility, or service.			
		It is a change of ownership, where the change is from one entity to another substantially related entity.			
		It is an additional location of an existing service or facility.			
	X_	The applicant believes it will not have a significant impact on the health care system.			